

**RULES  
OF  
THE TENNESSEE DEPARTMENT OF STATE  
DIVISION OF BUSINESS SERVICES**

**CHAPTER 1360-8-2  
UNIFORM COMMERCIAL CODE  
ACCEPTANCE AND REFUSAL OF DOCUMENTS**

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**1360-8-2-.01 POLICY STATEMENT**

- (1) The duties and responsibilities of the filing officer with respect to the administration of the UCC are ministerial. In accepting for filing or refusing to file a UCC document pursuant to these rules, the filing officer does none of the following:
  - (a) Determine the legal sufficiency or insufficiency of a document.
  - (b) Determine that a security interest in collateral exists or does not exist.
  - (c) Determine that information in the document is correct or incorrect, in whole or in part.
  - (d) Create a presumption that information in the document is correct or incorrect, in whole or in part.

**Authority:** T.C.A. §§ 4-5-202, 4-5-204, 47-9-526. **Administrative History:** Original rule filed October 23, 2000; effective January 6, 2001.

**1360-8-2-.02 DUTY TO FILE**

- (1) Provided that there is no ground to refuse acceptance of the document under rule 1360-8-2-.03, a UCC document is filed upon receipt by the filing officer with the filing fee and the recording tax, if applicable, and the filing officer shall promptly index the UCC document in the information management system.

**Authority:** T.C.A. §§ 4-5-202, 4-5-204, 47-9-516, 47-9-519, 47-9-526. **Administrative History:** Original rule filed October 23, 2000; effective January 6, 2001.

**1360-8-2-.03 GROUNDS FOR REFUSAL OF UCC DOCUMENT**

- (1) The following grounds are the sole grounds for the filing officer's refusal to accept a UCC document for filing. As used herein, the term "legible" is not limited to refer only to written expressions on paper: it requires a machine-readable transmission for electronic transmissions and an otherwise readily decipherable transmission in other cases.
  - (a) Debtor name and address. An initial financing statement or an amendment that purports to add a debtor shall be refused if the document fails to include a legible debtor name and address for a debtor, in the case of an initial financing statement, or for the debtor purporting to be added in

(Rule 1360-8-2-.03, continued)

the case of such an amendment. If the document contains more than one debtor name or address and some names or addresses are missing or illegible, the filing officer shall index the legible name and address pairings, and provide a notice to the remitter containing the file number of the document, identification of the debtor name(s) that was (were) indexed, and a statement that debtors with illegible or missing names or addresses were not indexed.

- (b) Additional debtor identification. An initial financing statement or an amendment adding one or more debtors shall be refused if the document fails to identify whether each named debtor (or each added debtor in the case of such an amendment) is an individual or an organization, or if the last name of each individual debtor is not identified.
- (c) Secured party name and address. An initial financing statement, an amendment purporting to add a secured party of record, or an assignment, shall be refused if the document fails to include a legible secured party (or assignee in the case of an assignment) name and address. If the document contains more than one secured party (or assignee) name or address and some names or addresses are missing or illegible, the filing officer shall index the legible name and address pairings, and provide a notice to the remitter containing the file number of the document, identification of the secured party (or assignee) names that were indexed, and a statement that secured parties with illegible or missing names or addresses were not indexed.
- (d) Lack of identification of initial financing statement. A UCC document other than an initial financing statement shall be refused if the document does not provide a file number of a financing statement in the UCC information management system that has not lapsed.
- (e) Other required information. A UCC document that does not identify itself as an initial financing statement or as an other type of UCC document shall be refused.
- (f) Timeliness of continuation. A continuation shall be refused if it is not received during the six month period concluding on the day upon which the related financing statement would lapse.
  - 1. First day permitted. The first day on which a continuation may be filed is the date of the month corresponding to the date upon which the financing statement would lapse, six months preceding the month in which the financing statement would lapse. If there is no such corresponding date during the sixth month preceding the month in which the financing statement would lapse, the first day on which a continuation may be filed is the last day of the sixth month preceding the month in which the financing statement would lapse, although filing by certain means may not be possible on such date if the filing office is not open on such date.
  - 2. Last day permitted. The last day on which a continuation may be filed is the date upon which the financing statement lapses.
- (h) Fee. A document shall be refused if the document is accompanied by less than the full applicable filing fee plus the recording tax under T.C.A. §67-4-409(b), if any, based on the representation of indebtedness required thereunder, and tendered by a method described in rule 1360-8-1-.14. However, the filing office may permit search requests unaccompanied by an adequate payment amount or no prepayment to be invoiced, with payment due within sixty days; if a remitter has outstanding past due invoices, new search requests will not be processed without prepayment of applicable fees.
- (i) Means of communication. UCC documents communicated to the filing office by a means of communication not available or authorized by the filing officer for the communication of UCC documents shall be refused.

(Rule 1360-8-2-.03, continued)

- (j) EDI refusal. UCC documents communicated by EDI may be refused as provided in rule 1360-8-3-.47 for reasons not applicable to other communications methods.
- (k) Indebtedness (recording) tax language. An initial financing statement or an amendment that increases indebtedness shall be refused if the record does not contain, either on its face or in an accompanying sworn statement, the language required under T.C.A. §67-4-409(b)(5)(D) with respect to the recording tax imposed under T.C.A. §67-4-409(b), if any.

**Authority:** T.C.A. §§ 4-5-202, 4-5-204, 47-9-516, 47-9-520(a), 47-9-526, 67-4-409(b). **Administrative History:** Original rule filed October 23, 2000; effective January 6, 2001.

#### **1360-8-2-.04 GROUNDS NOT WARRANTING REFUSAL**

- (1) The sole grounds for the filing officer's refusal to accept a document for filing are enumerated in rule 1360-8-2-.03. The following are examples of defects that do not constitute grounds for refusal to accept a document. They are not a comprehensive enumeration of defects outside the scope of permitted grounds for refusal to accept a UCC document for filing.
  - (a) Errors. The UCC document contains or appears to contain a misspelling or other apparently erroneous information.
  - (b) Incorrect names.
    - 1. The UCC document appears to identify a debtor incorrectly.
    - 2. The UCC document appears to identify a secured party or a secured party of record incorrectly.
  - (c) Extraneous information. The UCC document contains additional or extraneous information of any kind.
  - (d) Insufficient information. The UCC document contains less than the information required by Article 9 of the UCC, provided that the document contains the information required in rule 1360-8-2-.03.
  - (e) Collateral description. The UCC document incorrectly identifies collateral, or contains an illegible or unintelligible description of collateral, or appears to contain no such description.
  - (f) Excessive fee. The document is accompanied by funds in excess of the full filing fee and recording tax.

**Authority:** T.C.A. §§ 4-5-202, 4-5-204, 47-9-516, 47-9-520(a), 47-9-526. **Administrative History:** Original rule filed October 23, 2000; effective January 6, 2001.

#### **1360-8-2-.05 TIME LIMIT**

- (1) The filing officer shall determine whether criteria exist to refuse acceptance of a UCC document for filing not later than the second business day after the document is tendered for filing and shall index a UCC document not so refused within the same time period.

**Authority:** T.C.A. §§ 4-5-202, 4-5-204, 47-9-519(h), 47-9-526. **Administrative History:** Original rule filed October 23, 2000; effective January 6, 2001.

**1360-8-2-.06 PROCEDURE UPON REFUSAL**

- (1) If the filing officer finds grounds under rule 1360-8-2-.03 to refuse acceptance of a UCC document, the filing officer shall return the document, if written, to the remitter and may issue a credit voucher or refund the filing payment. The filing office should send a notice that contains the date the document was tendered for filing (unless such date is stamped on the document), and a brief description of the reason for refusal to accept the document under rule 1360-8-2-.03. The notice shall be sent to a secured party or the remitter as provided in rule 1360-8-4-.02(3)(b). A credit voucher or refund may be delivered with the notice or under separate cover. The notice shall be sent no later than the second business day after of the determination to refuse acceptance of the document.

**Authority:** T.C.A. §§ 4-5-202, 4-5-204, 47-9-520, 47-9-526. **Administrative History:** Original rule filed October 23, 2000; effective January 6, 2001.

**1360-8-2-.07 ACKNOWLEDGMENT**

- (1) Upon the request of a filer or remitter who files a written UCC document, the filing officer shall either send to said filer or remitter an image of the record of the UCC document showing the file number assigned to it and the date and time of filing or, if such filer or remitter provides a copy of the UCC document, note the file number and the date and time of filing on the image and deliver or send it to said filer or remitter. For UCC documents not filed in written form the filing officer shall communicate to the filer or remitter the information in the filed document, the file number and the date and time of filing.

**Authority:** T.C.A. §§ 4-5-202, 4-5-204, 47-9-523(b), 47-9-526. **Administrative History:** Original rule filed October 23, 2000; effective January 6, 2001.

**1360-8-2-.08 OTHER NOTICES.**

- (1) Nothing in these rules prevents a filing officer from communicating to a filer or a remitter that the filing officer noticed apparent potential defects in a UCC document, whether or not it was filed or refused for filing. However, the filing office is under no obligation to do so and may not, in fact, have the resources to do so or to identify such defects. The responsibility for the legal effectiveness of filing rests with filers and remitters and the filing office bears no responsibility for such effectiveness.

**Authority:** T.C.A. §§ 4-5-202, 4-5-204, 47-9-520, 47-9-526. **Administrative History:** Original rule filed October 23, 2000; effective January 6, 2001.

**1360-8-2-.09 REFUSAL ERRORS**

- (1) If a secured party or a remitter demonstrates to the satisfaction of the filing officer that a UCC document that was refused for filing should not have been refused under rule 1360-8-2-.03, the filing officer will file the UCC document as provided in these rules with a filing date and time assigned when such filing occurs. The filing officer will also file a correction statement (and such demonstration of error shall constitute the secured party's authorization to do so) that states that the effective date and time of filing is the date and time the UCC document was originally tendered for filing and sets forth such date and time.

**Authority:** T.C.A. §§ 4-5-202, 4-5-204, 47-9-516(d), 47-9-518, 47-9-526. **Administrative History:** Original rule filed October 23, 2000; effective January 6, 2001.